

# Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# **Fiscal Note**

**Drafting Number:** LLS 23-0878 **Date:** March 22, 2023

Prime Sponsors: Sen. Kolker; Gardner Bill Status: Senate Health & Human Services Fiscal Analyst: Kristine McLaughlin | 303-866-4776

kristine.mclaughlin@coleg.gov

Bill Topic:	ACCESS TO CERTAIN BEHAVIORAL HEALTH SERVICES	
Summary of Fiscal Impact:	<ul><li>☐ State Revenue</li><li>☒ State Expenditure</li><li>☐ State Transfer</li></ul>	<ul><li>□ TABOR Refund</li><li>⊠ School Districts</li><li>□ Statutory Public Entity</li></ul>
	The bill requires select mental health services to be covered for Medicaid members under 21. The Department of Health Care Policy and Financing must engage stakeholders and notify impacted entities. The bill minimally increases state workload on a temporary basis and may increase school district costs.	
Appropriation Summary:	No appropriation is required.	
Fiscal Note Status:	The fiscal note reflects the introduced bill.	

## **Summary of Legislation**

The bill requires select mental health services to be covered for Medicaid members under 21 through the managed care system and the School Health Services Program. The Department of Health Care Policy and Financing must engage stakeholders and notify impacted entities.

# **Background**

Every Medicaid member, excluding those partially covered by Medicare, is assigned to a regional organization responsible for providing or arranging medically necessary behavioral health services including the services required under the bill. HCPF pays each regional organization a preset monthly capitation payment for each eligible Medicaid member.

Through the School Health Services Program, Colorado school districts can claim for Medicaid covered services that are provided in schools.

Page 2 March 22, 2023

SB 23-174

## **State Expenditures**

In FY 2023-24 only, HCPF will hold at least one stakeholder meeting regarding mental health services to be covered under the bill, and post a bulletin for impacted entities which can be accomplished within existing resources.

Because the bill will not increase eligibility nor expand available services, as discussed in the Background section, no service cost increase is anticipated. HCPF provides this level of mental health services to its membership under the behavioral health capitation program.

### **School Districts**

Through the School Health Services Program, Colorado school districts already provide the services listed in the bill. If HCPF uses its authority to expand the list of services and claims increase, school districts will have additional costs. Claims submitted by school districts to HCPF will be eligible to receive federal funding for a portion of the costs.

## **Effective Date**

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

#### **State and Local Government Contacts**

Behavioral Health Administration Human Services Health Care Policy and Financing Information Technology